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Accelerated Underwriting (A) Working Group

Virtual Meeting

April 3, 2024

The Accelerated Underwriting (A) Working Group of the Life Insurance and Annuities (A) Committee met April 3, 2024. The following Working Group members participated: Nathan Houdek, Chair, and Lauren Van Buren (WI); Grace Arnold, Vice Chair, represented by Sarah Gillaspey (MN); Jason Lapham (CO); Russ Gibson (IA); Cynthia Amann (MO); Maggie Reinert and Megan VanAusdall (NE); Daniel Bradford (OH); and David Hippen (WA).

1. Discussed Next Steps for Accelerated Underwriting Guidance Document and Referral

Commissioner Houdek explained that the focus of the Working Group meeting is to discuss the next steps for finalizing the regulatory guidance document and the *Market Regulation Handbook* referral now that the *NAIC Model Bulletin on the Use of Algorithms, Predictive Models, and Artificial Intelligence Systems by Insurers* (AI Model Bulletin) is finalized and the survey on the use of artificial intelligence (AI)/machine learning (ML) in life insurance is complete. He suggested a process for completing the regulatory guidance and referral in time for consideration by the Life Insurance and Annuities (A) Committee at the Summer National Meeting.

Commissioner Houdek said that the first step in the work plan is to have a small drafting group meet to revise both draft documents based on the comments received last year, as well as the AI Model Bulletin and the results of the AI/ML survey. He said revised drafts would be exposed via email for a 30-day public comment period. Ideally, the exposure will occur around the third week of April, with a comment deadline during the third week of May. Commissioner Houdek said the Working Group would have an open meeting to review and discuss any comments received, and the drafting group would meet again to revise accordingly. Another draft would be exposed for a final comment period ending around the second week of July. He said the Working Group would have another open virtual meeting to discuss what he hopes will be minor comments and adopt the final drafts for consideration by the Life Insurance and Annuities (A) Committee during the Summer National Meeting.

Commissioner Houdek explained that while the drafting group will develop the revised drafts, the entire Working Group will be given an opportunity to review each draft prior to its public exposure. He also explained that the drafting group will be regulator-only; however, the Working Group is committed to reviewing and discussing comments on each draft during open meetings. He said the goal is to facilitate full understanding by all stakeholders—state insurance regulators and interested parties—and ensure an opportunity for input throughout the drafting process.

Commissioner Houdek said Van Buren and Gillaspey will participate in the drafting group. He requested that any other state insurance regulators interested in participating in the drafting group email Jennifer Cook (NAIC). He asked that any state insurance regulators also involved in the Market Conduct Examination Guidelines (D) Working Group and willing to review the referral document reach out to Cook.

Amann asked about the intended audience for the regulatory guidance document. She asked if the guidance document is intended to address the needs of state insurance regulators, insurers, or both. She said this was an issue that arose during the drafting of the AI Model Bulletin. Van Buren explained that the resource guide, as drafted, is intended as a tool for state insurance regulators. Commissioner Houdek encouraged state insurance regulators to participate in the drafting group. He said the current draft is consistent with the principles-based approach of the AI Model Bulletin and should not require too much effort to revise.

Having no further business, the Accelerated Underwriting (A) Working Group adjourned.

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